GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:3581
ANSWERED ON:07.04.2003
WAR RISK INSURANCE FOR CIVIL AVIATION
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Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Bangkok based International Civil Aviation Organisation has formulated a scheme of global war risk insurance for air travellers;

(b) if so, whether India is considering to adopt this system on its domestic sectors as also on flights originating from India; and

(c) if so, the salient features of this scheme and the fiscal impact when this scheme becomes operative in India?

Answer

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK)

(a), (b) and (c): The International Civil Aviation Organisation (ICAO) has proposed to set up a Global Aviation War Insurance scheme for third party war insurance cover in excess of US$ 50 million presently offered by the commercial insurance market. The scheme provides for a pool of funds based on payment of premium per passenger and a Government guarantee for each joining country based on a proportion of its subscription to ICAO amounting to total of US$ 15 billion. This scheme will apply to both international and domestic sectors. India is considering the pros and cons of the scheme.